

**From:** Mayer, Jerrold H  
**Sent:** Tuesday, September 03, 2013 2:37 PM  
**To:** 'SF-HOUSING-COUNSELING-L@hudlist.hud.gov'  
**Subject:** Two New FHA Mortgagee Letters and HUD Conference Call for Housing Counselors on Changes to the Home Equity Conversion Mortgage Program

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**Two New FHA Mortgagee Letters and HUD Conference Call for Housing Counselors on Changes to the Home Equity Conversion Mortgage Program (HECM):**

As part of an ongoing effort to strengthen the Mutual Mortgage Insurance Fund and preserve the financial soundness of the HECM program, the Federal Housing Administration (FHA) announces new HECM program policies. Today, two Mortgagee Letters were published; a Mortgagee Letter announcing changes to the HECM program and a Mortgagee Letter announcing the HECM Financial Assessment and Property Charge Guide as described below. To read all FHA Mortgagee Letters please visit: [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/administration/hudclips/letters/mortgagee](http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/letters/mortgagee)

1. U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-8000  
ASSISTANT SECRETARY FOR HOUSING  
FEDERAL HOUSING COMMISSIONER  
DATE: September 3, 2013  
TO: ALL FHA-APPROVED MORTGAGEES  
MORTGAGEE LETTER 2013-27  
Subject: Changes to the Home Equity Conversion Mortgage Program Requirements

Purpose This Mortgagee Letter implements several changes to the Home Equity Conversion Mortgage (HECM) program that will strengthen the FHA Mutual Mortgage Insurance Fund (MMIF or Fund), thereby protecting the viability of the HECM program. Mortgagee Letter 2013-27, Changes to the Home Equity Conversion Mortgage Program Requirements. The policies in this Mortgagee Letter include:

- Revised mortgage insurance premiums and principal limit factors;
- Restrictions on the amount of HECM funds that can be disbursed at closing and over the first twelve months following loan closing;
- Introduction of the new single distribution lump sum payment option;

- A required Financial Assessment for all HECM mortgagors focused on evaluating willingness and capacity to meet their financial obligations and the terms of the HECM;
- Required set aside of a portion of the loan proceeds or withhold of a portion of the Line of Credit or Term/Tenure payments for the payment of property taxes and insurance.

AND

2. U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-8000  
ASSISTANT SECRETARY FOR HOUSING FEDERAL HOUSING  
COMMISSIONER  
Date: September 3, 2013  
To: All Approved Mortgagees  
Mortgagee Letter 2013-28  
Subject: Home Equity Conversion Mortgage (HECM) Financial Assessment and  
Property Charge Guide

Purpose This Mortgagee Letter and the attached HECM Financial Assessment and Property Charge Guide provide parameters for the required financial assessment that mortgagees must complete prior to approval of an FHA insured HECM as announced in Mortgagee Letter 2013-27.

AND

**Housing Counseling Industry Conference Call on Changes to the Home Equity Conversion Mortgage Program:**

HUD's Office of Housing Counseling will host an industry conference call (general question and answer session) where HUD staff will be available to address questions related to the policy content and implementation of these changes.

**Conference Call Title:** Changes to the Home Equity Conversion Mortgage Program

**Date/Time:** Tuesday, September 10, 2013 at 3:00P Eastern time

**Teleconference Number:** (800) 707-9573

**Participant Access Code:** 302103

**Special Instructions:** There are a limited number of conference lines. Therefore, where multiple participants are co-located, you are encouraged to call from a single phone line, such as one located in a conference room. If we determine that a number of callers were unable to access the call because of limited lines, we will offer a second session. Please begin dialing into the teleconference meeting 10 minutes early as the call will begin promptly at 3:00 PM Eastern.

To read all FHA Mortgagee Letters please

visit: [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/administration/hudclips/letters/mortgagee](http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/letters/mortgagee)

To read all FHA Housing Notices please

visit: [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/administration/hudclips/notices/hsg](http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/notices/hsg)

Housing Counselors should direct any questions via email to:  
[housing.counseling@hud.gov](mailto:housing.counseling@hud.gov)

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### **Bulk subscriptions:**

Some housing counselors have asked, "How do I sign up my entire agency staff for housing counseling listserv updates?" It is easy... Just list your staff email addresses like this:

[aaa@xyz.com](mailto:aaa@xyz.com)

[bbb@xyz.com](mailto:bbb@xyz.com)

[ccc@xyz.com](mailto:ccc@xyz.com)

You can send in one email address or your entire agency. Email your list to:  
[jerrold.h.mayer@hud.gov](mailto:jerrold.h.mayer@hud.gov)

If you have a housing counseling industry friend who you want to subscribe to this listserv, there are 3 other ways to sign up: 1. send them this link:  
[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/sfh/hcc/ohc\\_listserv](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/hcc/ohc_listserv)  
they can sign up for the listserv there; or 2: forward them this email; or 3: Visit:  
<http://www.usa.gov> and subscribe at:  
<http://apps.gsa.gov/FirstGovCommonSubscriptionService.php> To unsubscribe - go to:  
<http://portal.hud.gov/portal/page/portal/HUD/subscribe/maillinglist> and click on  
"Housing Counseling" and follow the unsubscribe instructions on that page.

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### **Some Helpful Links for Housing Counselors:**

Technical support for Housing Counselors is available via email at:  
[housing.counseling@hud.gov](mailto:housing.counseling@hud.gov)

HUD Housing Counseling webpage: [www.hud.gov/housingcounseling](http://www.hud.gov/housingcounseling)

"The Bridge" is the HUD Office of Housing Counseling Newsletter; read archived issues on-line at:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/sfh/hcc/ohc\\_bridge](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/hcc/ohc_bridge)

Housing Counseling Listserv archive:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/sfh/hcc/ohc\\_msg](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/hcc/ohc_msg)

Events & Training Calendar:

[http://portal.hud.gov/hudportal/HUD?mode=disppage&id=OHC\\_TRAINING](http://portal.hud.gov/hudportal/HUD?mode=disppage&id=OHC_TRAINING)

Contracting Opportunities:

[http://portal.hud.gov/portal/page/portal/HUD/program\\_offices/cpo](http://portal.hud.gov/portal/page/portal/HUD/program_offices/cpo)

Career Opportunities: <http://www.usajobs.gov>

Grant Opportunities:

[http://portal.hud.gov/portal/page/portal/HUD/program\\_offices/administration/grants/fund savail](http://portal.hud.gov/portal/page/portal/HUD/program_offices/administration/grants/fund_savail)

Presidentially Declared Disaster Areas:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/sfh/nsc/disaster](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/nsc/disaster)

Foreclosure Assistance:

[http://portal.hud.gov/hudportal/HUD?src=/i\\_want\\_to/talk\\_to\\_a\\_housing\\_counselor](http://portal.hud.gov/hudportal/HUD?src=/i_want_to/talk_to_a_housing_counselor)

Making Home Affordable: <http://www.makinghomeaffordable.gov/pages/default.aspx>

Freddie Mac Housing Professionals Resource

Center: <http://www.freddiemac.com/corporate/housingpros/>

This list will often provide training opportunities and event announcements for non-profit and local government HUD Housing Counseling partners. HUD does not endorse the organizations sponsoring linked websites, and we do not endorse the views they express or the products/services they or their community/business partners offer. For more information on HUD's web policies please visit:

<http://www.hud.gov/assist/webpolicies.cfm>

Thank you!!!!